

Markets

SFE 200 Futures (9.30am AEDST)	6015	-28	-0.5
NZX 50	8003	-18	-0.2
DJIA Futures	23418	2	0.0
S&P 500 Futures	2584	0	0.0
NASDAQ Futures	6315	0	0.0

Local Markets Commentary

The Australian market commences Friday trade on negative international equities and mixed commodities leads.

In overnight commodities trade, US **gold** futures continued modestly higher. **Oil** swung to resume gains. **Iron ore** (China port, 62% Fe) rose slightly. LME **copper** and **nickel** turned lower, nickel dropping.

The **\$A** surpassed US76.80c after trading at ~US76.75c early yesterday evening.

Locally today, the Reserve Bank of Australia (**RBA**) publishes a quarterly policy statement **11.30am** AEDST.

In addition, **CSR**, **KMD** and **WHC** each trade ex-dividend today.

Regionally, **China** is expected to release October lending figures anytime from today.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	23461	-101	-0.4
S&P 500	2585	-10	-0.4
NASDAQ	6750	-39	-0.6
FTSE 100	7484	-46	-0.6
DAX 30	13183	-200	-1.5
Shanghai Comp	3428	12	0.4

Overseas Markets Commentary

US equities markets opened lower overnight, dragging major European equities indices to settle at or near session lows.

Potential **US** tax cut delay concerns, and associated dour deficit predictions published late Wednesday, were cited for weaker overall US sentiment, although the tech sector proved particularly out of favour.

Earlier across the Atlantic, a **European** Commission (EC) Autumn economic forecasts report put UK growth (1.1%) behind most European Union (EU) nations for 2019, when the UK proposes to separate from the EU.

The EC predicted overall regional growth to slow during 2018 and 2019.

Meanwhile, **Germany's** September exports were reported 0.4% lower for the month and imports down 1%, following respective 3.1% and 1.2% gains for August. Exports had been expected to drop by 1.1%, however.

Among US data releases, September wholesale inventories rose 0.3%, following a 0.8% gain in August.

RBA – policy statement **11.30am** AEDST

Today's Stock Watch

News Corporation (NWS)

5% higher year-on-year \$US2.06B September quarter revenue. News and information revenue rose 2%, digital real estate services by 20%, and cable network programming by 13%. \$US68M net income, against a \$US15M net loss a year ago.

REA Group (REA)

61.6% NWS-held REA is reporting 21% higher, \$A190M revenue (after broker commissions) for the September quarter. Core operations earnings rose 24% to \$107M.

Janus Henderson Group (JHG)

AUM grew 5% during the September quarter, to \$US360.5B. \$US0.7B net inflows. Presentation lodged post-trade yesterday.

QBE Insurance (QBE)

QBE's \$US400M capital notes issue details lodged this morning, including 5.25% pa interest until 16 May 2025. 16 November settlement anticipated.

Dexus Property Group (DXS)

\$A653M private notes placement in the US. Four \$US and \$A tranches planned.

MMA Offshore (MRM)

Former Toll Global Logistics GM finance and commercial David Cavanagh has been appointed CFO, effective 1 December. Mr Cavanagh is taking over from Peter Raynor who has been with MRM for 12 years.

Bod Australia (BDA)

Formulation work underway on a range of cannabis-based cosmetic products under partnership with Swiss herbal extracts specialist Linnea. Targeting distribution during 2018.

The products will be manufactured in Italy and exported to the Americas, Asia and Australia.

Invigor Group (IVO)

Accolade Wines secured as a client. Expected revenue not disclosed.

Murray River Organics (MRG)

Morgans has removed MRG from its add list, in favour of hold advice.

Amaysim Australia (AYS)

AYS cofounder and former AYS CEO and Rolf Hansen is resigning as an AYS nonexecutive director, effective immediately.

Resources

Rio Tinto (RIO)

Société Générale placed a buy on RIO, but the stock nonetheless fell in overnight London trade.

Fortescue Metals Group (FMG)

Platt Steel Market Asia conference presentation lodged this morning.

Ardea Resources (* ARL)

Goongarrie South cobalt-nickel project scandium mineralisation has been confirmed by a re-assay of historic drilling. Pamela Jean Deeps intersections lodged this morning.

Tonight in the US, an October budget statement and an initial University of Michigan November consumer sentiment reading are due.

Allianz, Arcelor Mittal (world's largest steel manufacturer) and US retailer JC Penney are among companies scheduled to report earnings today or tonight.

In overnight corporate news, **AstraZeneca** reported 9% higher quarterly operating profit but 3% lower sales.

In the luxury retail sector, **Burberry** announced a 24% rise in interim pre-tax profit and 4% higher same store sales, but dropped 10% on the FTSE100.

UK supermarket chain **Sainsbury's** achieved 17% higher (£16.3B) interim sales but underlying pre-tax profit (£251M) dropped 9%, and the stock was pushed 2% lower.

US department stores **Macy's** and **Kohl's** booked mixed quarterly revenue, ahead of Thanksgiving's 'Black Friday' retail frenzy.

Twenty-First Century Fox quarterly revenue exceeded forecasts. Meanwhile, CEO James Murdoch refused to respond to questions relating to Disney talk speculation.

In the meantime, GlaxoSmithKline and BP traded ex-dividend on the FTSE100.

Commodities

COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Dec)	1288	oz	4	0.3
Silver (NY) (Sep)	17.0	oz	-0.1	-0.8
Gold (LON)	1285	oz	0.8	0.1
Platinum	936	oz	6	0.7
WTI Crude (Nov)	57.2	bbl	0.4	0.6
Brent Crude (Nov)	63.9	bbl	0.4	0.7
Iron Ore (CHN port 62%)	62.3	t	0.0	0.1
Copper	6808	t	-47	-0.7
Nickel	12300	t	-400	-3.2
Aluminium	2093	t	-16	-0.8
Lead	2514	t	8	0.3
Zinc	3176	t	-16	-0.5
Tin	19425	t	-25	-0.1
CBT Wheat (Dec)	4.29	bshl	0.02	0.5

Commodities Commentary

Oil – Saudi Arabia let it be known it was planning to export 120,000 fewer barrels of oil per day during December than for November.

Meanwhile, Saudi citizens were heeding their government's call to leave Lebanon.

A weekly US petroleum drill rig count is due tonight.

Gold – a \$US pullback intra-session helped support three-week peaks for gold overnight. The \$US swung however, constraining gains.

Base metals – China's October copper imports disappointed.

Profit-taking following warnings regarding demand level growth rates, even as electric vehicle manufacturing increased, bruised nickel trade. In addition, LME warehouse stocks from a seven-week low earlier in the week.

China's October CPI and producer prices, reported yesterday, rose 1.9% and 6.9% respectively, year-on-year. The headline figures exceeded forecasts, but for the month, CPI rose just 0.1% after 0.5% in September.

Pre-Open Announcements

BWX Ltd (BWV)

A retail entitlement offer shortfall bookbuild will be conducted following today's trade. Expecting to lodged offer results and the size of the shortfall post-trade.

Resources

Musgrave Minerals (MGV)

Heralding WA Murchison region Cue gold project Break of Day extensional drilling results. High-grade assays lodged this morning. Ongoing resource drilling.

Red Mountain (RMX)

Mirador Corporate's Mauro Piccini has been appointed RMX company secretary, following the resignation of Shannon Coates.

Trading Halts

Company	Code	Resuming
Cassini Resources	CZI	10 Nov
Prospect Resources	PSC	10 Nov
Victory Mines	VIC	10 Nov
King River Copper	KRC	13 Nov
Latin Resources	LRS	13 Nov
Living Cell Technologies	LCT	13 Nov

Suspensions (selected)

Company	Code	Since
Bisan Ltd	BSN	2 Nov
Blackham Resources	BLK	8 Nov
Byte Power Group	BPG	8 Nov
Caeneus Minerals	CAD	30 Oct
G Medical Innovations Holdings	GMV	8 Nov
Haoma Mining	HAO	18 Oct
Indo Mines	IDO	1 Nov
Marindi Metals	MZN	9 Nov
Oriental Technologies	OTI	1 Nov
Quest Minerals	QNL	2 Nov
Red Emperor Resources	RMP	8 Nov
ServTech Global Holdings	SVT	1 Nov
Soon Mining	SMG	23 Oct
Stargroup Ltd	STL	19 Oct
Wolf Petroleum	WOF	30 Oct

Ex-Dividends

Code	Ex-Div	Div (c)	Fr (%)	Yield (%)
CSR	Today	13.5	50	5.80
KMD	Today	8.23	100	5.56
WHC	Today	10	0	1.49
ANZ	Mon	80	100	5.27
USF	Mon	18	0	0.00
USG	Mon	23	0	0.00
WBC	Mon	94	100	5.67
ORI	Tue	28	0	2.77
WBA	Tue	3	100	2.21
PL8	Wed	0.45	100	0.83



Japan's September core machinery orders dropped 8.1% for the month.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.7681	-0.0001	-0.01
EUR – USD	1.1641	-0.0001	-0.01

Australian Data Today

RBA	Monetary policy statement (qtrly)	Nov
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US Data Tonight

	Budget statement	Oct
	Uni of Michigan consumer sentiment (prelim)	Nov

Other Overseas Data Today & Tonight

China	<i>New loans</i>	Oct
Japan	Tankan survey	Nov
UK	Trade balance	Sep
UK	Industrial production	Sep

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Reports & Events

(selected scheduled)

When	Company	Report/Event
Today	NVT	AGM
	NWS	Sep Q
Mon	BRG	AGM
	ELD	Full-year
	MPL	AGM
	NEC	AGM
Tue	ABP	AGM
	CPU	AGM
	EHE	AGM
	IPL	Full-year
	NCM	AGM
	OFX	Interim

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